



Agenda Item Number: 2006-6-8A

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: June 27, 2006

Department: County Manager

Contact: Sherri Olsen, PI Arts Coordinator

Public Information Art Program

Liz Hamm, Public Information Manager

TITLE: Quality of Life Initiative Ordinance

ACTION: Motion to approve publication of **Ordinance 2006-** the Quality of Life Initiative.

SUMMARY:

The Quality of Life Initiative is a grass roots effort that began more than five years ago with a group of volunteers who began studying ways to secure sustainable funding for the cultural community. From that core group, the Initiative has gathered wide and diverse community support from people in business, education, government, and tourism.

It is a community investment in culture, history, art and science that will pay off almost immediately – and well into the future. The Initiative asks voters to approve a $\frac{1}{4}$ of 1% increase in the Gross Receipts Tax (one cent for every four dollars they spend) to create a stream of income for hundreds of organizations to enhance and expand their programs.

The beneficiaries of the funds are organizations that provide public programs based on culture, history, art and science, that have offices within Bernalillo County, and that range from small, non-profits to our pre-eminent municipal zoo and local museums. The program is intended to be as inclusive as possible as long as the organization meets certain minimum requirements.

Funds will be managed by the County of Bernalillo, which in turn, will appoint a Cultural Advisory Board (made up of people knowledgeable about the arts and cultural community) to advise the County Commission. Every two years, the Cultural Advisory Board will put out Requests for Proposals to the arts and cultural organizations, evaluate responses, and develop a package of recommendations that will go to the County Commission for approval. The state legislation that enabled this initiative is specific about how the money is to be distributed, and the proposed Bernalillo County ordinance reflects the law in both the letter and the spirit.

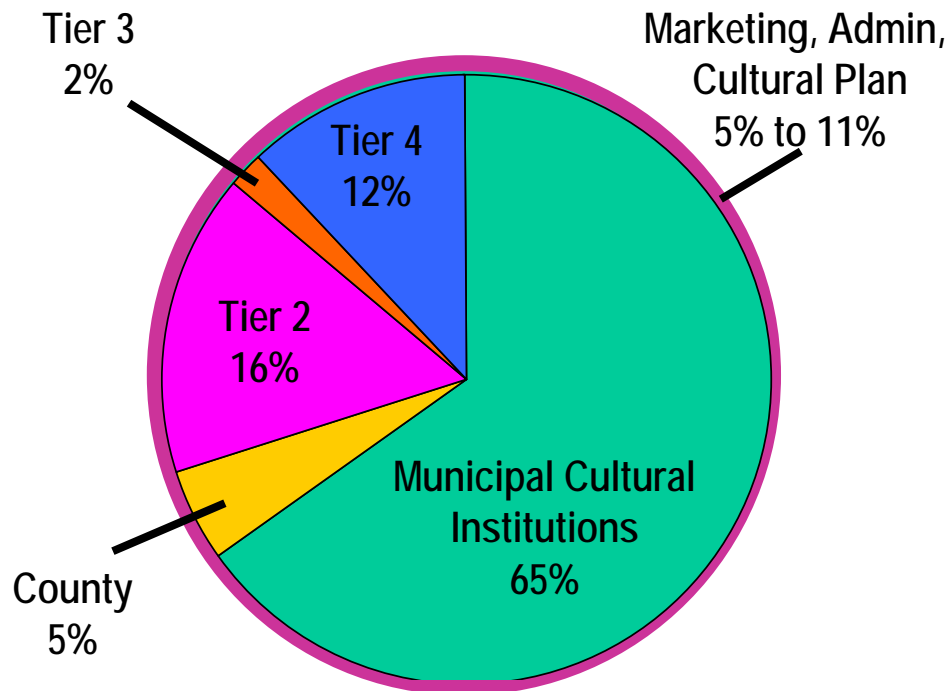
If passed, this tax will “sunset” in 10 years. At that time the program can be submitted to the voters for re-approval. Based on the experience of other communities that have adopted similar programs (Denver, Salt Lake County, St. Louis), such reauthorizations are enthusiastically supported.

ATTACHMENT:

1. Proposed Quality of Life Initiative Ordinance
2. HB 336 AN ACT RELATING TO TAXATION; AUTHORIZING A COUNTY AND MUNICIPAL LOCAL OPTION QUALITY OF LIFE GROSS RECEIPTS TAX.
3. Fact Sheet/Time line

FISCAL IMPACT

Starting July 1, 2007 the tax will begin generating as much as \$40 million per year. The fund will be distributed in the following percentages to the various eligible recipients.



STAFF ANALYSIS SUMMARY

COUNTY MANAGER

This initiative was brought about entirely by the cultural community of not only the Albuquerque/Bernalillo County area, but by a very large statewide constituency who successfully worked with the State Legislature to authorize the additional, local option taxing authority on an individual county or municipal level. Introduction of this ordinance allows for placement on the November 2006 general election ballot before the voters of Bernalillo County.

The state statute enabling this local option gross receipts tax requires that a Class A county with a population of more than two hundred fifty thousand must dedicate the revenue as specified in the statute, which includes a percentage for municipal cultural institutions and therefore cannot be enacted on a municipal level in class A counties. The state statute further requires the county to appoint a cultural advisory board to oversee and recommend to the County Commission the distribution of the funds. If passed by the voters, the County Commission would then appoint the cultural advisory board with the inclusion of a representative appointed by the governing body largest municipality within the county.

The County has a demonstrated track record and commitment to providing cultural activities to its citizens through existing programs such as the programming at the community centers, the public art program and through contracts for services with various non-profit organizations. If passed by the voters, the county would expand the level of cultural services provided through its own facilities, greatly expand and enhance contracting for public programming and services

through existing non-profit cultural organizations, and provide much needed general operating funds for the joint city/county, specifically libraries, and other municipal cultural institutions as described in the proposed ordinance. I recommend Board approval. 6/22/2006

DEPUTY COUNTY MANAGER FOR FINANCE

If the Quality of life tax goes into affect the fiscal administration and budgeting will be the responsibility of Bernalillo County. Dan Mayfield 6/22/2006

DEPUTY COUNTY MANAGER FOR COMMUNITY SERVICES

The ordinance specifically allocates 5% of the net revenues of the local option tax for county programs as well as between 5% - 11% for administration of the Initiative. County Community Services facilities would experience a significant increase in the level of cultural programming for citizens of all ages at the community centers, through the Open Space programs and other already established contracts for services. The funds can only be use for programming and not for capital expenditures. The Quality of Life Initiative would compliment the County Capital Improvement Program by providing operational funds for all of the existing Community Services facilities as well as for future facility expansions. In a time when existing operational costs have been cut in order to provide for a balanced budget for other mandatory services, a voter approved dedicated funding stream for cultural programming would clearly be a favorable message from the community that the county should continue to provide and expand such worthwhile programs.

LEGAL

Approved as to form, TDS 6/22/06. The ordinance incorporates the pertinent provisions of the enabling statute.

FINANCE

Purchasing No comment required on approval of the ordinance. The Purchasing Department will provide oversight and assistance to the Cultural Advisory Board in the issuance of all procurements. Lisa Sedillo-White, Purchasing Director 06/15/06

Risk Management Risk Management will assist determining if insurance is required after review of the scope of services for procurements. David A. Baca, Risk Management Administrator 6/16/06